



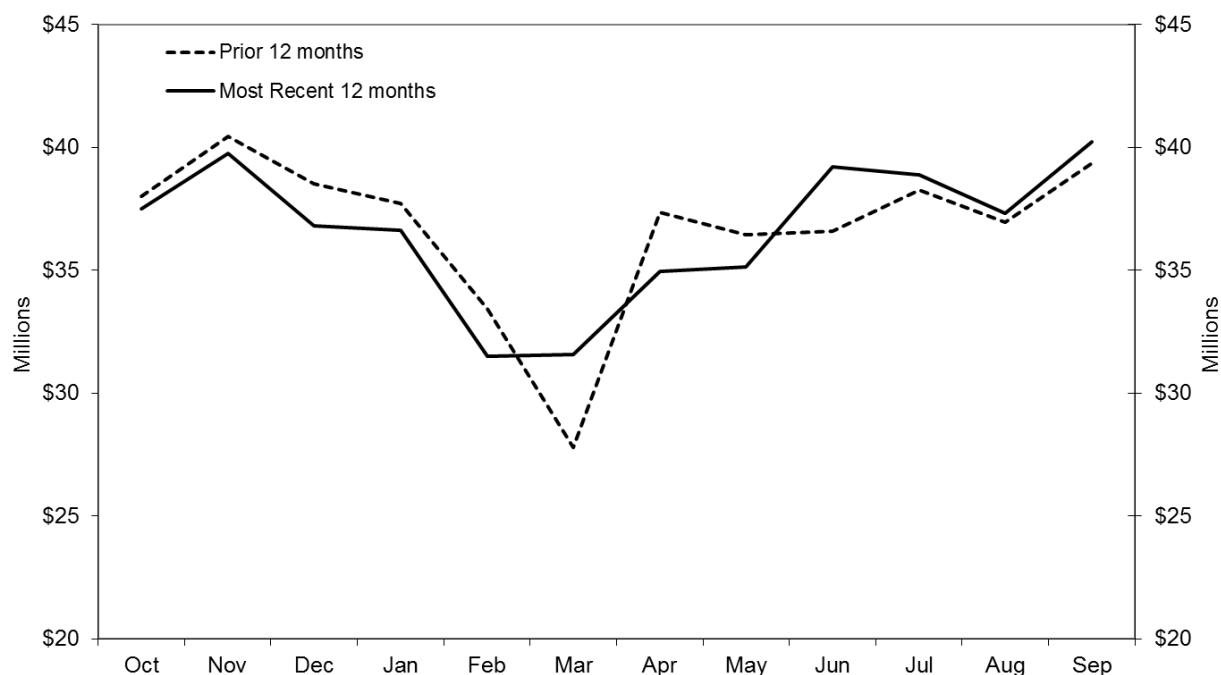
Fuel Tax Monthly Report for September 2012

The Iowa Fuel Tax Monthly Report presents the gross gallons of fuel delivered by Iowa licensed Suppliers, Blenders, Importers, Restrictive Suppliers, and Liquefied Petroleum Gas/Compressed Natural Gas Dealers and Users. The report captures information on a monthly basis and is made available on the Motor Fuel page of the Iowa Department of Revenue website at <http://www.iowa.gov/tax/forms/motor.html#Monthly>. The report is available no later than the last working day of the month following the tax period covered by the report. For example, the report containing information for the July 1 to July 31 tax period will be available by August 31.

The first page of the report shows monthly collections for eight fuel types as well as collections from prior tax periods reported as accounts receivable. Fiscal Year-To-Date and Prior Fiscal Year-To-Date collections, refunds and credits, and collections less refunds and credits are also provided, along with the percent change between the two years. Refund claims can be filed throughout the year, while credits are claimed only once a year on annual income tax returns.

Comparing monthly numbers across the last 24 months, Figure 1 shows that net collections were higher during the last four months relative to the same months in the prior year but were lower in seven of the first eight months.

**Figure 1. Iowa Monthly Fuel Tax Collections Less Refunds and Credits:
Most Recent 12 Months Compared to Prior 12 Months for September 2012**



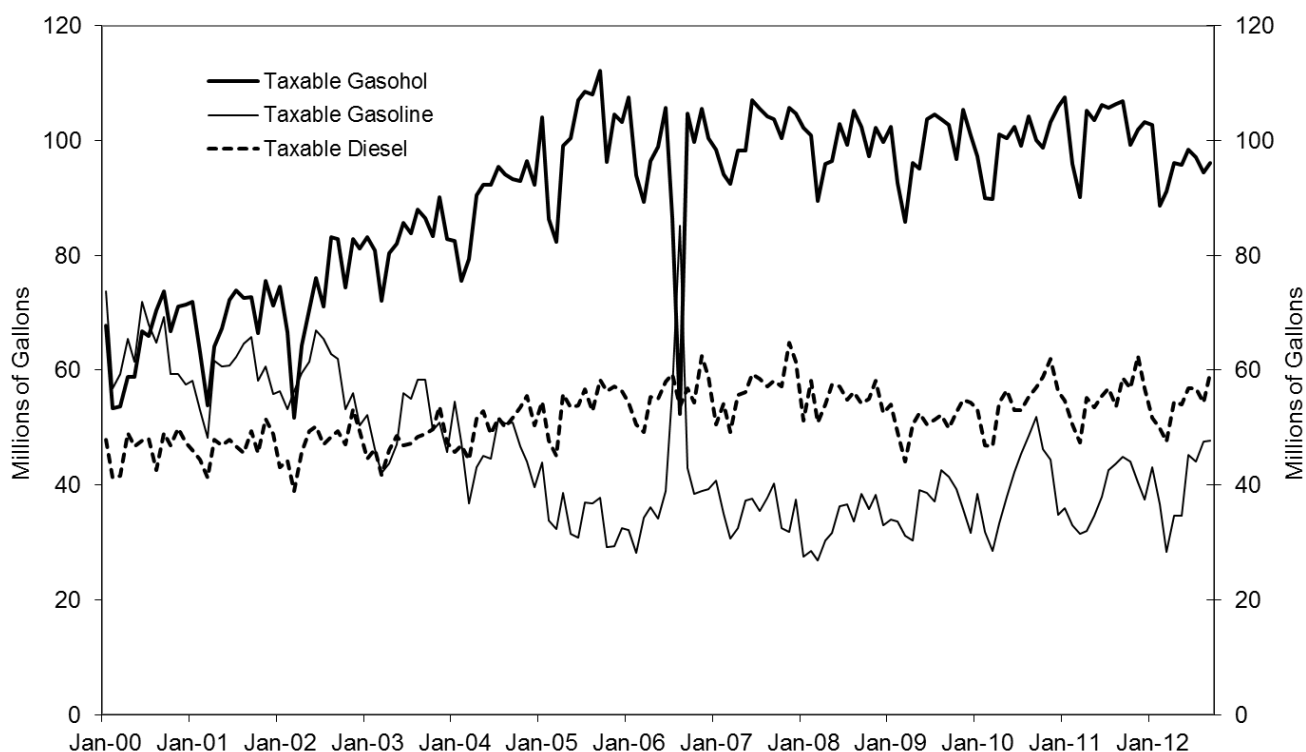
Source: Iowa Department of Revenue

The second page of the report displays gross gallons and taxable gallons by fuel type for Motor Fuel, Special Fuel, and Liquefied Petroleum Gas & Compressed Natural Gas. The main factor in the difference between gross and taxable amounts is exported gallons - where Iowa exports well over half of the gasohol (ethanol-blended fuel) produced in the state.

The gallon amounts contained in this report are from the Supplier/Terminal or "Rack" level. Further blending of the products may occur throughout the different levels of the fuel distribution chain. This is the case for most E85 gallons, which is why the gallons reported do not reflect actual retail gallons sold in Iowa. Please see the quarterly E85 retail report for those amounts, located on the website previously referenced.

In 2000, taxable sales of gasohol and gasoline were roughly equal. Figure 2 shows that over the next six years, demand shifted toward gasohol sales which rose to over two-thirds of gallons sold, except for August 2006 when a temporary price shift drove a brief change in demand. The monthly distribution of gallons between gasohol and gasoline has averaged 73% since 2007. In September, although the distribution rose slightly to 66.8% gasohol, it was still ranked as the third lowest monthly distribution in the last six years. Total motor fuel taxable gallons increased 9% over the last decade while taxable diesel gallons have increased 18%.

**Figure 2. Iowa Monthly Taxable Gasohol, Gasoline, and Diesel Gallons:
January 2000-September 2012**



Source: Iowa Department of Revenue

The report also shows a breakdown of the refund dollar amounts by claim type for the month. Refunds are claimed against taxes paid on fuel that is used for non-taxable purposes, such as agricultural or commercial non-highway uses. Refunds are also claimed for Excess Tax on Gasohol and Denaturing Alcohol. The excess tax on gasohol refund results when the blender purchases gasoline taxed at 21 cents per gallon and collects tax on the resulting gasohol at 19 cents per gallon; therefore, the additional 2 cents paid on the gasoline is eligible for refund. The denaturing alcohol refund applies when the denaturant (gasoline) taxed at 21 cents per gallon is blended with food grade alcohol to produce ethanol. A full refund of the denaturant is eligible for a refund. When a refund of Iowa fuel tax is granted, those gallons become subject to Iowa sales tax, unless a sales tax exemption applies. Sales tax collected on those gallons is included at the bottom of the second page.

Iowa Department of Revenue
Fuel Tax Monthly Report
For Gallons Reported on Returns Filed in September 2012

MOTOR FUEL

Detailed Collections	Gasoline	Gasohol	E85	Aviation Gasoline	
	\$10,138,529	\$18,435,806	\$28,861	\$24,686	
Collections	Total Remitted	\$28,627,882			
Permit Refunds	Total Refunded	\$1,662,811			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$26,965,071	\$78,511,986	\$76,886,306	2.11%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel		
		\$107,310	\$13,530,710		
Collections	Total Remitted	\$13,638,020			
Permit Refunds	Total Refunded	\$343,843			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$13,294,177	\$38,059,713	\$37,738,425	0.85%

LPG and CNG

Detailed Collections		Petroleum Gas	Natural Gas		
		\$18,229	\$286		
Collections	Total Remitted	\$18,515			
Permit Refunds	Total Refunded	\$3,923			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$14,592	\$43,449	\$43,384	0.15%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections		Miscellaneous	Accounts Receivable			
		\$0	\$870			
Collections	Total Remitted	\$870				
			Current Month	Fiscal YTD	Prior FYTD	Change
Misc. & Account Receivable		\$870	\$7,373	\$10,300		-28.42%

TOTAL

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$42,285,287	\$123,659,141	\$127,114,800	-2.72%
Refunds				
Permit Refunds Including Interest	\$2,010,578			
Motor Fuel Individual/Corporate Credits	\$49,620			
Total Refunds and Credits	\$2,060,198	\$7,234,517	\$12,566,460	-42.43%
Collections Less Permit Refunds and Credits	\$40,225,089	\$116,424,624	\$114,548,340	1.64%

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MOTOR FUEL GALLONS SUMMARY

	Gasoline	Gasohol	E85*	Aviation Gas	Motor Fuel Total
Gross Gallons Received	61,364,457	203,177,467	162,708	310,228	265,014,860
Exported Gallons	12,791,457	105,570,869	10,013	0	118,372,339
Distribution Allowance	774,237	1,540,618	2,268	4,692	2,321,815
Total Taxable Gallons	47,798,763	96,065,980	150,427	305,536	144,320,706
Remitted	\$10,138,529	\$18,435,806	\$28,861	\$24,686	\$28,627,882

*E85 gallons are not actual retail gallons. See quarterly E85 retail report for actual gallons

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	Special Fuel Total
Gross Gallons Received	4,132,087	74,578,661	78,710,748
Exported Gallons	568,153	14,644,923	15,213,076
Distribution Allowance	22,392	394,977	417,369
Total Taxable Gallons	3,541,542	59,538,761	63,080,303
Remitted	\$107,310	\$13,530,710	\$13,638,020

LPG & CNG GALLONS SUMMARY

	Liquid Petroleum Gas	Compressed Natural Gas	LPG & CNG Total
Total Taxable Gallons	88,055	1,795	89,850
Remitted	\$18,229	\$286	\$18,515

REFUND SUMMARY

DOLLARS

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
36	Agricultural	3,706	43,566	0	0	47,272
13	Federal Government	109,557	35,793	0	0	145,349
5	State Government	26,925	952	0	0	27,877
110	Other Political	150,220	25,432	3,923	0	179,576
1	Native American	3,258	29	0	0	3,287
1	Contract Carrier	356	2,934	0	0	3,289
0	Commercial Fisherman	0	0	0	0	0
0	Home Heating	0	0	0	0	0
0	Extract of Nat'l Deposits	0	0	0	0	0
36	Denaturing Alcohol	1,044,890	0	0	0	1,044,890
107	Commercial	83,012	152,805	0	0	235,817
0	Refund Agent	0	0	0	0	0
11	Transport Diversions	8,840	76,483	0	0	85,323
0	Casualty Losses	0	0	0	0	0
4	Special Fuel Blending	0	5,850	0	0	5,850
19	Excess Tax on Gasohol	227,500	0	0	0	227,500
5	Excess Tax on E85	4,548	0	0	0	4,548
348	TOTALS	\$1,662,811	\$343,843	\$3,923	\$0	\$2,010,578

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$240,929